GOVERNMENT OF INDIA
COAL
LOK SABHA

STARRED QUESTION NO:233
ANSWERED ON:01.12.2016
Coal Sector
Noor Smt. Mausam

Will the Minister of COAL be pleased to state:

(a) the role played by private sector entities in the coal sector along with investment made by them;

(b) whether the Government is satisfied with the role played by them in the sector, and if so, the details thereof;

(c) whether the Government proposes to denationalize the coal sector by allowing the private firms to mine coal, and if so, the details thereof; and

(d) whether the Government is contemplating to allow the private companies to sell coal in the open market and discontinue the captive coal mining and if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE (I/C) FOR COAL, POWER, NEW & RENEWABLE ENERGY AND MINES
(SHRI PIYUSH GOYAL)

(a) to (d) : A statement is laid on the Table of the House.

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Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No.233 for answer on 01-12-2016 asked by Shrimati Mausam Noor regarding Coal Sector.

(a) & (b): Under the provisions of the Coal Mines (Special Provisions) Act, 2015, 83 coal mines (31 by way of auction and 52 by way of allotment) have been allocated so far. Out of these, 30 coal mines for utilization in specified end uses i.e. Power (Regulated Sector) and Iron & Steel, Cement, Captive Power Production (Non-Regulated Sector) have been allotted to the successful private sector entities who had participated in the three tranches of e-auction of these coal mines. An amount of Rs.444.67 crores has been invested by the successful bidders of private sector entities towards payment of cost of land and mine infrastructure. The Government does not keep details of private sector investments post allocation of the mines. From these 30 coal mines allotted to private sector entities, the revenue generated (excluding Royalty, Cess & Taxes) till October, 2016 is Rs.1430.34 crores which includes 848.15 crores of e-auction proceeds and Rs.582.19 crores of upfront payment. Mining operations have commenced/mine opening permission granted in 11 coal mines and 9.559 Million Tonnes (Provisional) of coal has been produced since commencement of mining operations.

(c) & (d): The Coal Mines (Special Provisions) Act, 2015 was enacted which amended the provisions of some existing Acts by inserting Section 3(A) in the Coal Mines (Nationalization) Act, 1973 and by amending Section 11(A) of Mines and Minerals (Development and Regulation) Act, 1957 thereby removing the restriction of end use from the eligibility to undertake coal mining. As per the said provision, the allocattees are allowed to carry on coal mining operations in India, in any form either for own consumption, sale or for any other purpose in accordance with the permit, prospecting license or mining lease, as the case may be. Thus, the Act enables captive Coal mining as well as mining for sale or any other purpose.

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